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PRM 11 -- The Bottom Line

I. What should be the DCI's Position on PRM 11 Issues?

--There are many problems with intelligence. Only some can be solved by changes in the management structure of the Community.

--Key is to partition intelligence problems into those to be addressed by SCC and those to be left to the DCI to resolve.

--Main issue for SCC is the balance of DCI responsibilities and authorities. Views on the preferred approach to other issues tend to be strong functions of a position on DCI responsibilities/authorities.

--Main objective in PRM 11/Task 2 is to ensure SCC focuses on proper issues.

II. Balance of DCI responsibilities and authorities -- in what areas can changes in management structure most help?

A. Program/budget management. The President and Congress look to DCI for efficient management of Community programs and budgets. His authority is clearly not commensurate with this responsibility:

- Must negotiate access to DoD program managers and their data
- Must negotiate with PRC (CFI) members to change programs submitted by program managers
- No authority over "tactical intelligence" programs and budgets, yet Congress wants the DCI to examine "intelligence related activities"

Clearly changes in management structure can help here.

B. Protection of sources and methods. Lack of legal sanctions against U.S. citizens and investigating authority beyond CIA limit DCI's enforcement authority. Solution lies in legislation, not management structure.

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C. Production of National Intelligence. The DCI does not have line authority over Departmental production, some of which supports national intelligence production, some of which may unnecessarily duplicate national production. But scarcity of production resources, generally shared perceptions of the goals for national production, and existing Community mechanisms result in a national production process which functions smoothly. Moreover, Departmental production elements provide healthy competition in national intelligence production.

Clearly, the needs of the Departments for intelligence products must be met. But there is considerable overlap between Departmental and national needs and there may not be as much tension between national and Departmental needs as is said to exist. National production supports Departmental as well as national needs, and vice versa. More central management of Community (including Departmental) production can focus resources more efficiently on both national and Departmental needs. Such management would entail:

- Allocation of production funds and manpower to various production tasks (e.g., data bases, current intelligence, analysis, interagency production), regions, and topics.

- Setting policies for recruiting, training and advancing personnel.

- Ensuring a full and complete flow of intelligence information within the Community.

- Setting and enforcing high standards of timeliness and quality for both national and Department intelligence products.

- Ensuring that Departmental intelligence needs are properly supported.

The following approach is proposed to exert more DCI control over management of intelligence production, while preserving the benefits of competing viewpoints in substantial intelligence production and assuring that Departmental needs are supported.

- Extend the DCI's program/budget authority to include review of the allocation of production funds and manpower within all NFIP agencies, considering both national and Departmental needs.

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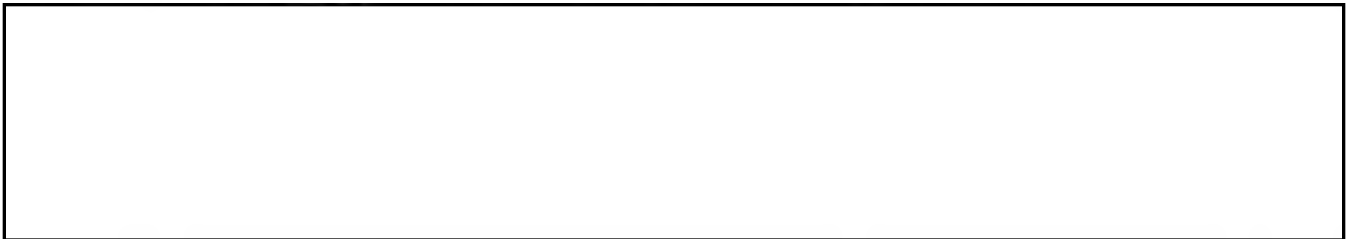
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--Provide the DCI with the authority (or make clearer his existing authority) to establish policies for recruiting, training and advancing personnel within NFIP agencies.

--Make greater use of NFIB for coordinating Community production (including departmental production which supports national production), ensuring production support to Departments, and exercising quality control of products.

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E. Warning and crisis support to national authorities. Responsibilities exceed direct authority, but major management problem is intelligence access to information on departmental initiatives (e.g., military movements, diplomatic actions,...), which is not strictly a Community problem.

F. Wartime intelligence. During war, DCI is still responsible for advising President on foreign intelligence matters and for management of resources, but his wartime authority relative to that of SECDEF and JCS is vague. The problem is to ensure that available intelligence resources provide the best mix of support to both national decision-makers and tactical commanders. For planning in peacetime, this is in part a matter of program/budget management and in part assuring that procedures and agreements are in effect that provide smooth transition from "little-c crisis" to "big-C crisis" to war.

The above suggests the following approach to the DCI's responsibilities and authorities:

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--The program/budget authority of the DCI over funds and manpower billets should be considerably strengthened.

--The DCI should be able to alter the allocation of funds and manpower for intelligence production, both national production and departmental production which effects national intelligence.

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--The DCI Should be able to establish and enforce personnel recruiting, training and advancement policies through the Community.

--The principle of independent DCI intelligence support to the President during wartime should be affirmed and the role, responsibilities and authorities of the DCI during wartime should be clearly stated.

III. How other intelligence issues relate to DCI's authority as program/budget manager.

A. Problems which can be more readily resolved by the DCI if DCI's Program/budget authority is strengthened.

--Assuring most effective combined utilization of national and tactical intelligence resources.

--Coordination of counterintelligence activities (if DCI is given some control over counterintelligence resources).

--Efficient and effective application of NFIP resources.

--Improving the timeliness and quality of intelligence products. Main problems are the following, which can in principle be resolved within present DCI authority but which may be more readily resolved with greater DCI control over production resources:

- Assuring relevance of products to user needs
- Number, quality and training of analysts
- Adequacy of data bases.

B. Problems whose resolution is probably independent of altered management structure. DCI's leadership in solving the problems below may be enhanced if he has more control over program/budget resources, just because he has more "power of the purse"; similarly, reduced fiscal authority for DCI could reduce his Community leadership. But, changing the management structure will not directly yield improved solutions to the following problems.

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--Clarification of DCI's role vis-a-vis Congress (this is a matter of guidance from the President)

--Decompartmentation (Community has made some proposals, which NSC is reviewing?)

--Warning and Crisis Support. Main problems are as follows:

- o Despite recent improvements, Community efforts are too fragmented (strong DCI leadership will help considerably; management solution is to give DCI direct authority over DIA and State/INR production, which is not likely to happen).
- o There is difficulty in getting information from the Departments and NSC about ongoing or planned U.S. diplomatic or military actions (cannot be resolved by altering Community management structure).
- o There are unresolved legal and coordination problems for intelligence support to a crisis which lie in the gray area between foreign and domestic (discriminate Attorney General guidelines and improved coordination between Community and domestic law enforcement agencies are needed).
- o There is insufficient attention to early warning processes intended to aid in avoiding or mitigating incipient crises (we need improved procedures, such as those suggested in Harrison's paper).

--Transition of intelligence to wartime functions (need clear statement of DCI's role in wartime and evolution of DoD/IC procedures and plans, not more authority for DCI over DoD assets).

--Identification of consumer needs and priorities (need new ideas on this front, plus more determined implementation of current NIO function).

--Improved coordination of the tasking of human sources (main problem is those human sources which are not controlled by the Intelligence Community).

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--Adequacy of Community's planning system (a matter of innovation and application, not altered management structure).

--Community role in net assessments (need detailed guidance, plus resources).

--Evaluation of Community performance (IC Staff and department evaluation mechanisms probably are OK, if given enough people. The DCI should, however, solicit independent views on adequacy of IC Staff as a performance evaluation mechanism).

C. Other Problems

--DCI's ability to prevent illegal or improper intelligence activities would be increased if he had more authority (derived from legislation or Executive Order) for:

- Investigating improprieties in agencies other than CIA
- Criminal sanctions.

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NOTE TO:

I'm not sure I really believe everything I've written in the attached, but I do believe that we need something by way of a strawman PRM-11 bottom-line so we can have a more structured discussion amongst some of the IC Staff. You may, therefore, wish to send the attached to Kerr and for their comments.

